

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING

DOCKET NO. 2006-259-E

APPLICATION OF CAROLINA POWER AND LIGHT COMPANY D/B/A PROGRESS ENERGY CAROLINAS, INC. ("PEC") FOR APPROVAL OF AN EXECUTORY TRANSFER AND SALE OF PROPERTY

Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. ("Applicant" or "PEC") pursuant to S.C. Code Ann. Section 58-27-1300 (1976 and Supp. 2005) filed an Application with the Public Service Commission of South Carolina ("Commission") for approval of an Executory Transfer and Sale of Property.

On June 15, 2006, PEC entered into a "Spare Transformer Sharing Agreement" with certain participating electric utilities as part of a national collaborative effort to share spare electric transformers with other electric utilities in the event of a declaration by the federal government of a national emergency as a result of a "coordinated deliberate destruction of a utility substation" (e.g. a terrorist attack). The Sharing Agreement provides for an electric industry-wide pool of spare electric transformers that can be called upon and transferred from one utility to another utility in the event of a coordinated terrorist attack upon the electric infrastructure in the United States. According to the Application, by entering into the Sharing Agreement, PEC will be supporting our national effort to protect our electric infrastructure from terrorist activities. Further, the Application reveals that by entering into the Sharing Agreement, PEC will achieve a higher level of preparedness for South Carolinas' incumbent electric utilities, thereby benefiting PEC's rate payers and all citizens of the state of South Carolina.

According to PEC, it has sufficient spare transformers in its inventory to address unexpected events that may arise from time to time on its system. Further, according to the Application, by committing the spare transformers, PEC nonetheless will maintain ownership and possession of all of its spare transformers and shall be entitled to use such spares for equipment failures as long as such spares are replaced within eighteen months.

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, 101 Executive Center Drive, Synergy Business Park, Columbia, South Carolina 29210, the Commission's website at www.psc.sc.gov and is available from Len S. Anthony, Deputy General Counsel – Regulatory Affairs, Post Office Box 1551, Raleigh, North Carolina 27602.

A public hearing, if scheduled, will be held in Columbia, South Carolina in the offices of the Commission at the above address, for the purpose of receiving testimony and other evidence from all interested parties regarding this Petition. The time and date of this hearing will be furnished to all interested parties at a later date.

Any person who wishes to testify and present evidence at a hearing concerning these matters should notify, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and Len S Anthony, Deputy General Counsel, at the above address, on or before **October 6, 2006**. *Please refer to Docket No. 2006-259-E.*

Any person who wishes to participate in this matter, as a Party of Record with the right of cross-examination, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **October 6, 2006**, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2006-259-E.*

Any person, who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before **October 6, 2006**. *Please refer to Docket No. 2006-259-E.*

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211

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